

January 22, 1976

SENATOR HASEBROOCK: Mr. Chairman, members of the Legislature, LB 30A provides for mandatory participation in the school employees retirement system. At the present time, participation is mandatory for teachers and other professional employees but it is not mandatory for noncertified employees and employees of educational service units. It has come to the attention of the Committee that many of these noncertified employees and ESU employees are told that as a condition of employment they are not to join the retirement system. This deprives these people of retirement benefits which they are entitled to and need in the future. It is the estimate of our actuarial consultant that it would require \$128,000 to fund approximately 1600 such employees. The reason for LB 30A is to provide funding for the inclusion of the employees in the retirement system, these employees. LB 30 is in line with the principles of the Committee. Principle 20 says that reasonable eligibility requirements are a part of any well designed retirement system. LB 30 is now on General File. This is the "A" bill that is endeavoring to catch up with LB 30 so that you know what the fiscal impact is. I move that the bill be advanced to E & R Initial.

PRESIDENT: Any further discussion. Senator Dworak.

SENATOR DWORAK: Mr. Speaker, I have a question of Senator Hasebroock, if he will yield, please.

SENATOR HASEBROOCK: I will yield, Senator.

SENATOR DWORAK: Senator Hasebroock, can noncertified employees now join the retirement plan voluntarily?

SENATOR HASEBROOCK: Yes, they can.

SENATOR DWORAK: And this bill would make it mandatory that they do join whether they wanted to join or not?

SENATOR HASEBROOCK: Well, this would make it mandatory, yes, because this would make a more solid retirement system.

SENATOR DWORAK: But if the retirement program is beneficial to them and they have the option as to whether they want to voluntarily join, they have that option right now?

SENATOR HASEBROOCK: That is right.

SENATOR DWORAK: How does this affect noncertified teachers?

SENATOR HASEBROOCK: On noncertified teachers, let's see, they are in the same category.

SENATOR DWORAK: They can voluntarily join now, if they desire?

SENATOR HASEBROOCK: Yes.